



FY 2006 Property Tax INFORMATION

City of Boston Fiscal Year 2006 Third Quarter Tax Bill

Residential & Personal Exemptions Provide Tax Relief

Residential Exemption

Every taxpayer in the City of Boston who owns residential property and occupies the property as their principal residence on January 1, 2005 may be eligible for the residential exemption. In Fiscal Year 2006, the exemption will save qualified homeowners over \$1,300 on their tax bills.

For the purpose of this exemption, the principal residence is the address from which your Massachusetts income tax return is filed. Your Social Security Number is required to verify eligibility. This information is kept confidential and used solely to confirm a 2004 personal income tax filing from your address with the Commonwealth of Massachusetts Department of Revenue.

How to Obtain Residential & Personal Exemption Applications

Call the Taxpayer Referral & Assistance Center (TRAC) at (617) 635-4287 to request an application. Return your completed application with the required documentation to: Assessing Department, Room 301, Boston City Hall, Boston, MA 02201.

Information about personal exemptions and their specific requirements is available on the Assessing Department website at www.cityofboston.gov/trac. From that page, go to Residential Exemption, Personal Exemption or Frequently Asked Questions.

Personal Exemptions

Personal exemptions are available to qualified homeowners who are:

- Elderly (65 years +)
- Blind
- Surviving spouses or Minor children of deceased parents or Elderly (70 years +)
- Veterans with service-connected disabilities

Each exemption has certain eligibility requirements (e.g., age, income restrictions). You may not receive more than one personal exemption. However, if you qualify for two or more exemptions, you will receive the exemption that saves you the most money.

Important Facts About Fiscal Year 2006 Tax Bills

■ The new Fiscal Year 2006 assessment and tax rate appears on your 3rd quarter tax bill.

■ Fiscal Year 2006 3rd quarter taxes are due Wednesday, February 1, 2006.

■ The abatement application filing deadline is Wednesday, February 1, 2006.

■ Your 4th quarter tax bill will be issued in late March 2006. Taxes are due Monday, May 1, 2006.

■ The Residential Exemption filing deadline is Thursday, March 30, 2006.

■ The Personal Exemption filing deadline is Thursday, March 30, 2006.

■ Applicants for Residential and Personal Exemptions must provide their Social Security Number on the application.

■ If you have a mortgage with a tax escrow account, forward your bill to the bank or mortgage company to ensure timely payment of taxes.

■ For real estate and personal property tax amounts and payments from prior years, call the Collector's office at (617) 635-4131 or 4132.

Taxpayer Referral & Assistance Center (TRAC)

(617) 635-4287

Contact the TRAC office about:

- Property tax
- Residential exemption
- Elderly and other personal exemptions
- Duplicate tax bills
- Current motor vehicle excise tax
- Current boat excise tax
- Current tax bill balances and payments

The TRAC office is located on the mezzanine level of City Hall and is open weekdays from 9 AM - 5 PM. Visit TRAC online at www.cityofboston.gov/trac

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Thomas M. Menino, Mayor • Ronald W. Rakow, Commissioner of Assessing

Update on Residential Property Tax Trends

Two years ago, the rapid appreciation in the residential real estate market, combined with a slow market for business properties, threatened to increase the average homeowner's tax bill by 40%. At that time, legislation was enacted that adjusted the classification formula which distributes the tax levy between residents and business, resulting in a more moderate impact on homeowners. While the new law provided welcome tax relief, a provision was added that significantly reduced the level of relief over the next 5 years.

The City is now entering the third year of the new classification law. As expected, the rate of growth between residential and business properties is returning to its traditional balance. This year, the average single family tax bill is projected to increase 9%. Much of the increase is a result of the scheduled reduction in the level of relief as described above.

The City remains focused on this issue and has vigorously pursued legislation at the State House to reduce our reliance on the property tax and provide additional relief. These include efforts to diversify our revenue structure and close loopholes that unfairly favor some businesses over others. The Mayor and the City Council will continue to fight for changes that are in the best interest of our residents and businesses and will allow Boston to continue to be a great place to live and work.

Residential Exemption Compliance Audit

In the Fall of 2005, the City of Boston Assessing Department conducted a compliance audit on residential properties as part of its ongoing program to maintain and ensure the integrity of the residential exemption system. Every effort was made to identify and assist taxpayers who may qualify for this exemption and to eliminate those who do not qualify.

Homeowners who received a residential exemption notification and application were required to complete and submit the application form by the date specified. No exemption was granted without a completed, submitted and verified application.

Frequently Asked Questions

Where should I mail my real estate tax bill payment?

Mail your tax payment to: City of Boston Real Estate P. O. Box 55808, Boston, MA 02205-5808.

Where do I obtain tax payment information?

For current fiscal year payments: Call the Taxpayer Referral & Assistance Center (TRAC) at (617) 635-4287 or access information online at www.cityofboston.gov/assessing.

For prior year tax payments: Call the Collector's office at (617) 635-4131.

My property tax bill went up more than 2½%. Doesn't Proposition 2½ limit an increase to my tax bill to 2½%?

Proposition 2½ limits the property tax levy (the total amount of money to be raised by a city or town from the property tax) to no more than a 2½ % increase over the prior year. It does not apply to an individual tax bill.

I'm a new owner. Why did I receive my tax bill in the former owner's name?

State law requires the Collector's office to send tax bills to the owner of record as of January 1, the assessment date. The assessment date for all Fiscal Year 2006 tax bills is **January 1, 2005**. Ownership changes made after that date will be reflected in the next fiscal year. Contact the Assessing Department Tax Data Administration unit at (617) 635-3783 for further information.

New owners may obtain a duplicate tax bill by calling the Taxpayer Referral & Assistance Center (TRAC) at (617) 635-4287.

I own a house and an adjacent lot. How can I consolidate my separate tax bills into one bill?

Obtain a Consolidation Request Form by calling the Taxpayer Referral & Assistance Center at (617) 635-4287 or online at www.cityofboston.gov/assessing. Go to *Real Estate Parcel Consolidation* on the menu. Be sure to include the parcel ID numbers you wish to consolidate and their exact location. *NOTE: If a consolidation is approved, you are assigned a new parcel number. If you were receiving a residential exemption before, you will need to reapply for the residential exemption for the next fiscal year.*

Abatement Procedure

An abatement is a reduction of a property tax based upon a review and correction of a property's assessed value. Massachusetts law provides an abatement procedure that must be followed when a taxpayer believes that their property is overassessed, disproportionately assessed, improperly classified, or exempt from taxation. As a general rule, an abatement application may be filed by the person to whom the property tax has been assessed, or by the person who became the owner of the property after January 1, 2005.

Applications for abatement must be filed with the Assessing Department no later than Wednesday, February 1, 2006. The tax must be paid by February 1, 2006 even if an abatement application is pending. Application forms may be obtained on the third floor of City Hall, Monday through Friday, 9AM-5PM or online at www.cityofboston.com/trac. Go to *Forms* on the menu. State law prohibits the Assessing Department from acting on an application that is filed late.

Compliance With Motor Vehicle Registration Laws

You must register your vehicle in Massachusetts if you are a Massachusetts resident. The following criteria, although not exclusive, can be used by state and local agencies and the courts to determine residency. By law, you are considered a Massachusetts resident if you receive a local property tax exemption, file a state resident income tax return or receive a rental deduction, register to vote here, enroll your dependents in a local public school or pay resident tuition for them at a state college or university, receive public assistance from the state, declare that mortgaged or insured property located here is your principal residence, or obtain any employment, benefit or privilege by claiming Massachusetts residency. You may be fined up to \$1,000 per year if you illegally register in another state, or misrepresent the principal place your motor vehicle is garaged in this state. You are also subject to assessment for unpaid taxes with penalties and interest.